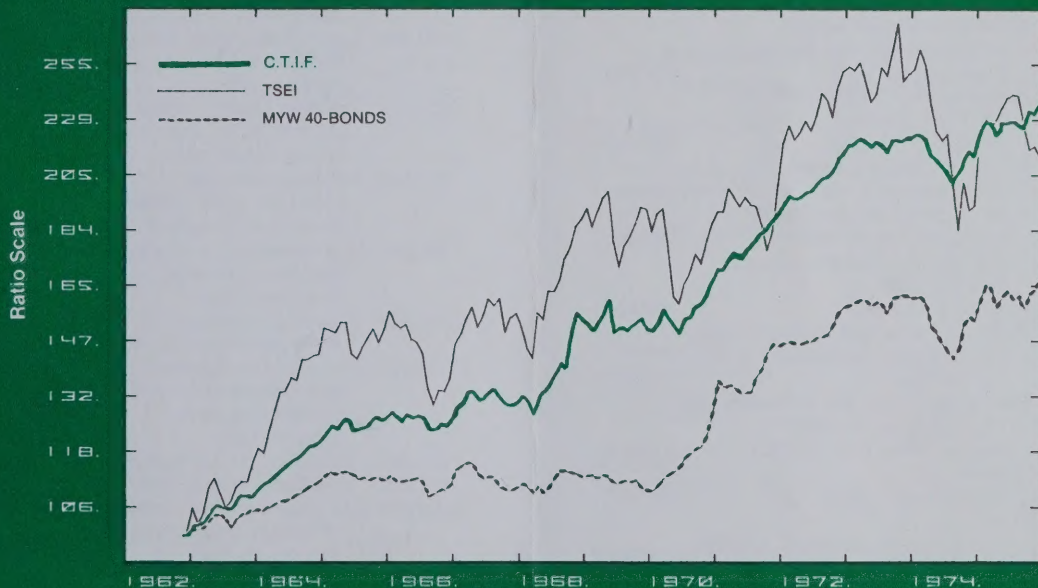


This chart shows the performance of C.T.I.F. over the 14 years since inception. During this time there have been recessions and booms, good stock markets and bad, periods of low interest rates and high interest rates.

With good prospects for greater economic stability in the year ahead, C.T.I.F. should benefit from anticipated rising bond prices.

Return Index vs. Return on Various Investment Vehicles November 1962 = 100



Sources

C.T.I.F. The return index represents the accumulated value of a single lump sum investment made at the beginning of the period with distributions reinvested.

TSEI. Toronto Stock Exchange Industrial Index. In this case the dividends have been reinvested in order to make it comparable to the return index.

MYW 40 Bonds

McLeod, Young, Weir Bond Index. This index is constructed of a package of 40 representative bonds typical of current market activity. This index represents the value index plus the reinvested monthly income.

Canadian Trusted Income Fund Detailed Summary of Net Assets as at December 31, 1975

Par Value		Market	Par Value		Market
Government or Government Guaranteed Bonds (21.6%)					
\$ 6,500,000	Government of Canada 10% October 1, 1995	\$ 6,548,750	\$ 250,000	Maritime Electric Company Ltd. 8¼% First Mortgage S.F. Bonds June 15, 1993	\$ 200,000
1,000,000	Province of Ontario 10¼% December 10, 1987/2000	1,005,000	400,000	Maritime Telegraph & Telephone Co. Ltd. 10¼% Series U November 1, 1995	376,000
		<u>\$ 7,553,750</u>	100,000	Mussens Limited, 6½% S.F. Debs., Series C, July 2, 1984	72,000
Corporate Bonds (64.6%)			700,000	Niagara Finance 11½% October 15, 1979-94	700,000
\$ 125,000	The Alberta Gas Trunk Line Co. Ltd. 9¼% S.F. Debs., Series 2, June 15, 1990	\$ 112,500	1,325,000	The Ontario Jockey Club Sec. Debs., 10% January 1, 1992	1,126,250
525,000	Associates Acceptance Company Limited, 8-7/8% Series 1, December 1, 1992	414,750	250,000	Place Quebec Inc. 8¼% 1st Mtge. Bonds, Series A, July 4, 1985	210,000
1,275,000	Bell Canada Series B.J. 1st Mortgage Bonds 9-7/8%, April 1, 1999	1,185,750	1,000,000	Spruce Falls Power & Paper Co. Ltd. 9¼% Debs. Series A March 1, 1994	840,000
500,000	Block Bros. Industries Ltd., 9½% Secured Notes, Series H., November 30, 1983	475,000	700,000	Steinberg Realty Limited First Mtge. S.F. Bonds B 8-7/8% July 3, 1993	560,000
1,000,000	Canadian Tire Corporation Ltd. S.F. Debs. Series C. 10¼% Aug. 15, 1995	987,500	265,000	Steinberg's Limited 10½% S.F. Debs. Series D December 15, 1984-94	261,025
1,200,000	Canadian Utilities Limited 11½% October 1, 1994	1,200,000	200,000	St. Lawrence Cement Co., 6% Debs., Series A October 1, 1979	164,000
1,200,000	Commercial Union Assurance 11¼% January 15, 1995	1,188,000	2,500,000	Texaco Canada Ltd. 10¼% December 31, 1994	2,500,000
200,000	The T. Eaton Acceptance Co. Ltd. 8¼% S.F. Debs., October 15, 1992	158,000	125,000	Traders Group Limited, 6¼% Collateral Trust Notes Ex. Wts., Series AF, June 15, 1981	98,750
200,000	First City Financial Corporation Ltd. 9% S.F. Debs., Series A, July 15, 1992	146,000	500,000	8¼% Debs., October 15, 1992/82	425,000
1,000,000	Ford Motor Credit Co. of Canada Ltd. 10¼%, August 15, 1995 Retr. to 10¼%, Feb. 15, 1981	1,010,000	450,000	8¼% Debs., May 1, 1993	333,000
600,000	Genstar Ltd. 10.25% June 1, 1980	600,000	2,025,000	Trans Canada Pipe Lines Limited 11½% S.F. Debs. Series F January 20, 1995	2,045,250
300,000	Husky Oil Ltd. 8½% S.F. Debs., Series C, Ex. Wts. August 15, 1991	240,000	400,000	Trizec Corporation Limited 8¼%-10¼% March 15, 1992	340,000
358,000	IAC Limited 9½% October 15, 1992	336,520	1,000,000	Union Acceptance Corporation Limited 9½% Series N, April 15, 1990/80	930,000
500,000	Imperial Oil Limited S.F. Deb. 10 5/8% August 15, 1994	498,750	1,525,000	Union Gas Ltd. S.F. Debs. 11% August 15, 1994	<u>1,509,750</u>
900,000	Laurentide Financial Corp. Ltd. 8½% S.F. Debs., Series 8, April 15, 1993	756,000			<u>\$ 22,566,795</u>
700,000	Laurentide Financial Corp. Ltd. 9-5/8% Collateral Trust, Series L February 1, 1994	567,000			

*Unaudited

Par Value		Market
Convertible Corporate Bonds (.2%)		
\$ 100,000	Bramalea Consolidated Developments Ltd. 7½% Conv. Debs. Series A, October 1, 1988	\$ 71,000 <u>\$ 71,000</u>

Common and Preferred Stocks (5.5%)		
Shares or Units		
40,000	BM-RT Realty Investments Trust Units	\$ 530,000
50,000	Canadian Int'l Power Co. Ltd.	737,500
52,120	Heitman Canadian Realty Investors, Units	325,750
15,000	International Mogul Mines Ltd. 6% Pfd. Series A	127,500
2,900	New Brunswick Telephone Co. Ltd. \$1.37 Cum. Pfd.	41,325
16,000	Trans Mountain Pipe Line Company	148,000
		<u>\$ 1,910,075</u>

Summary of Net Assets

Total Portfolio (91.9%)	\$ 32,101,620
Cash & Other Current Assets (8.1%)	<u>2,838,171</u>
Total Net Assets *	<u>\$ 34,939,791</u>
Net Asset Value Per Share	<u>\$ 4.34</u>

* Unaudited

Canadian Trusteeds Income Fund Statement of Income and Expenses*

For the Six Months Ended December 31, 1975-74

INCOME	1975	1974
Dividends	\$ 164,036	\$ 153,014
Interest	<u>1,689,977</u>	<u>1,567,602</u>
	\$ 1,854,013	\$ 1,720,616
EXPENSES		
Management Fee	\$ 131,573	\$ 127,668
Audit Fees	3,000	7,400
Custodian Fees and Bank Charges	1,326	1,787
Exchange	<u>—</u>	<u>21,100</u>
	\$ 135,899	\$ 157,955
NET INCOME	<u>\$ 1,718,114</u>	<u>\$ 1,562,661</u>
Net Income per Share	<u>21.34 Cents</u>	<u>20.43 Cents</u>

Statement of Changes in Net Assets*

For the Six Months ended December 31, 1975-74

NET ASSETS - June 30th .	\$36,332,450	\$34,341,924
Add:		
Unrealized Appreciation on Investments	390,369	271,005
Proceeds from sale of Mutual Fund Shares .	5,517,264	8,058,367
Net Income	<u>1,718,114</u>	<u>1,562,661</u>
	\$43,958,197	\$44,233,957
Less:		
Cost of Mutual Fund Shares Redeemed ...	\$ 6,425,261	\$ 8,604,087
Distributions Paid	1,664,809	1,543,178
Realized Loss on Investments	<u>928,336</u>	<u>1,029,406</u>
	\$ 9,018,406	\$11,176,671
NET ASSETS December 31st	<u>\$34,939,791</u>	<u>\$33,057,286</u>

Statement of Changes in Securities Held at Cost*

For the Six Months ended December 31, 1975

Securities held July 1, 1975	\$37,307,605
Purchases	9,818,000
Realized Gain (Loss) on Sales of Investments	<u>(928,336)</u>
	\$46,197,269
Sales	<u>\$12,066,837</u>
Securities Held December 31, 1975	<u>\$34,130,432</u>

*Unaudited

AR05

Board of Governors

C. WARREN GOLDRING
President, A.G.F. Management Limited

PHILIPPE CASGRAIN,
Barrister & Solicitor

FLOYD S. CHALMERS,
Chairman, Floyd S. Chalmers Foundation

ROBERT LAW,
Barrister & Solicitor

W. ALLAN MANFORD,
Chairman, A.G.F. Management Limited

SAMUEL T. PATON,
Former Deputy Chairman and Director,
The Toronto-Dominion Bank

HAROLD M. TURNER,
Retired Business Executive

Custodian of Securities

A CANADIAN CHARTERED BANK

Auditors

PRICE WATERHOUSE & CO., Toronto

Registrar and Transfer Agent

A.G.F. MANAGEMENT LIMITED, Toronto

Distributor and Manager

A.G.F. MANAGEMENT LIMITED, Toronto

**Interim
Report
Dec. 31, 1975**